

Economic Development Appropriations Bill House Study Bill 692

Last Action:
House Appropriations
Subcommittee
April 16, 2018

An Act making appropriations to the department of cultural affairs, the economic development authority, the Iowa finance authority, the public employment relations board, the department of workforce development, and the state board of regents and certain regents institutions, and properly related matters.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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FUNDING SUMMARY

FY 2019: Appropriates a total of \$38.8 million from the General Fund and 553.4 full-time equivalent (FTE) positions to the Department of Cultural Affairs (DCA), the Iowa Economic Development Authority (IEDA), the Iowa Finance Authority (IFA), the Public Employment Relations Board (PERB), the Iowa Workforce Development (IWD), and the Iowa Board of Regents (BOR) for FY 2019. This is an increase of \$670,000 and 1.6 FTE positions compared to estimated net FY 2018. This Bill also appropriates a total of \$26.0 million from other funds for FY 2019. This is an increase of \$7.5 million compared to estimated net FY 2018.

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Department of Cultural Affairs: Appropriates a total of \$5.9 million from the General Fund to the DCA. This is a net increase of \$157,000 compared to estimated net FY 2018. The changes include:

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- A general increase of \$50,000 for the Historical Division.
- A general increase of \$25,000 for the Arts Division.
- A general increase of \$50,000 for Cultural Trust Grants.
- A general increase of \$32,000 for the County Endowment Funding - DCA Grants.

Iowa Economic Development Authority: Appropriates a total of \$15.1 million from the General Fund to the IEDA. This is a net general increase of \$196,000 compared to estimated net FY 2018. The changes include:

Page 2, Line 35

- An increase of \$196,000 for the Economic Development general appropriation, including an increase of \$158,000 for the restoration of the reduction made for FY 2018 in [SE 2117](#) (FY 2018 Budget Adjustment Act).
- A general decrease of \$25,000 for the World Food Prize.
- A general increase of \$25,000 for the Councils of Governments.

Public Employment Relations Board: Appropriates a total of \$1.5 million from the General Fund to the PERB. This is a net general increase of \$150,000 compared to estimated net FY 2018 for an additional Administrative Law Judge.

Page 8, Line 26

Iowa Workforce Development: Appropriates a total of \$15.6 million from the General Fund to the IWD. This is a net general increase of \$167,000 compared to estimated net FY 2018. The changes include:

Page 9, Line 8

- A general increase of \$20,000 for the Labor Services Division.
- A general increase of \$97,000 for Operations - Field Offices.
- A general increase of \$100,000 for the Offender Reentry Program.

- A general decrease of \$50,000 for Employee Misclassification Program.

Skilled Worker and Job Creation Fund: Appropriates a total of \$23.2 million from the Skilled Worker and Job Creation Fund (SWJCF) to various departments. This is an increase of \$7.5 million compared to estimated net FY 2018. The changes include:

Page 12, Line 23

- An increase of \$6.1 million for the High Quality Jobs Program to replace a portion of the reduction of \$10.0 million for FY 2018 in [SF 2117](#) (FY 2018 Budget Adjustment Act).
- An increase of \$1.0 million for additional support for the Registered Apprenticeship Program.
- An increase of \$250,000 for a new Summer Youth Work Pilot Program.
- An increase of \$150,000 for a new Future Ready Iowa Coordinator.

Iowa Workforce Development Federal Struggling Families Act Funding: Authorizes the use of up to \$39.2 million by the IWD from federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program.

Page 17, Line 20

STUDIES AND INTENT

Intent

Specifies the intent of the General Assembly that the Industrial Incentive Program seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program.

Page 14, Line 30

Nonreversion

Allows any unexpended funds appropriated to the DCA for FY 2019 from the General Fund to remain available for expenditure in FY 2020.

Page 2, Line 28

Allows any unexpended funds appropriated to the IEDA for FY 2019 from the General Fund to remain available for expenditure in FY 2020.

Page 3, Line 35

Allows any unexpended funds appropriated to the Iowa State Commission on Volunteer Service Grant Program and the Iowa's Promise and Mentoring Partnership Programs for FY 2019 from the General Fund to remain available for expenditure in FY 2020.

Page 6, Line 2

Allows any unexpended funds appropriated to the IEDA from the SWJCF for the STEM Internships Program for FY 2019 to remain available for expenditure in FY 2020.

Page 6, Line 31

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Allows any unexpended funds appropriated to the IWD for FY 2019 from the General Fund to remain available for expenditure in FY 2020 for the following:

Page 11, Line 8

- Division of Labor Services.
- Division of Workers' Compensation.
- Workforce Development Operations for Field Offices and Workforce Development Board.
- Offender Reentry Program.
- Integrated Information for Iowa (I/3) System.

Allows any unexpended funds appropriated from the SWJCF to the IEDA, the BOR, and the IWD for FY 2019 to remain available for expenditure in FY 2020.

Page 17, Line 13

Required Reports

Requires the IEDA to submit an annual report by November 1 to the General Assembly regarding all financial assistance awards.

Page 7, Line 21

Requires the Board of Regents to submit an annual report by January 15 to the Governor, the General Assembly, and the Legislative Services Agency (LSA) regarding the use of the appropriation to the Board of Regents.

Page 13, Line 31

Requires the Iowa State University (ISU) to report annually to the Economic Development Appropriations Subcommittee and the LSA regarding the total amount of private contributions received, the proportion of those contributions from small businesses, and the proportion used for directed contract research and nondirected research.

Page 15, Line 10

SIGNIFICANT CODE CHANGES

County Endowment Fund: Specifies that the standing limited General Fund appropriation for the County Endowment Fund for the Department of Cultural Affairs Grants is \$448,000 for FY 2019.

Page 7, Line 3

Tourism Marketing: Specifies that the standing limited General Fund appropriation from the Adjusted Gross Gaming Receipts to the IEDA for Tourism Marketing is \$900,000 for FY 2019.

Page 7, Line 15

EFFECTIVE DATE

Specifies that the provision in Division II, related to the use of federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and

Page 17, Line 34

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equipment required to provide an administrative system for the Iowa Unemployment Insurance Program, is effective upon enactment.

Specifies that the provision in Division II, related to the use of federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program, is effective retroactive to July 1, 2017.

Page 18, Line 1

1 1 DIVISION I
 1 2 FY 2018-2019
 1 3 Section 1. 2017 Iowa Acts, chapter 169, section 18, is
 1 4 amended to read as follows:

 1 5 SEC. 18. DEPARTMENT OF CULTURAL AFFAIRS.
 1 6 1. There is appropriated from the general fund of the state
 1 7 to the department of cultural affairs for the fiscal year
 1 8 beginning July 1, 2018, and ending June 30, 2019, the following
 1 9 amounts, or so much thereof as is necessary, to be used for the
 1 10 purposes designated:

 1 11 a. ADMINISTRATION
 1 12 For salaries, support, maintenance, and miscellaneous
 1 13 purposes, and for not more than the following full-time
 1 14 equivalent positions for the department:
 1 15\$ 84,318
 1 16168,637
 1 17FTEs 56.50
 1 1852.30

 1 19 The department of cultural affairs shall coordinate
 1 20 activities with the tourism office of the economic development
 1 21 authority to promote attendance at the state historical
 1 22 building and at this state's historic sites.

 1 23 Full-time equivalent positions authorized under this
 1 24 paragraph are funded, in full or in part, using moneys
 1 25 appropriated under this paragraph and paragraphs "c" through
 1 26 "g".

 1 27 b. COMMUNITY CULTURAL GRANTS
 1 28 For planning and programming for the community cultural
 1 29 grants program established under section 303.3:
 1 30\$ 86,045
 1 31172,090

General Fund appropriations to the Department of Cultural Affairs (DCA).

General Fund appropriation to the DCA for the Administration Division.

DETAIL: Maintains the current funding level and full-time equivalent (FTE) support compared to estimated net FY 2018. The FTE positions are allocated among all divisions and programs of the DCA. The Administration Division provides administrative, accounting, public relations, and clerical services for the DCA. Additionally, the Administration Division oversees the Iowa Great Places Program, the Iowa Cultural Trust, and Community Cultural Grants.

Requires the DCA to coordinate with the Iowa Economic Development Authority (IEDA) Tourism Office to promote attendance at the State Historical Building and the State's Historic Sites.

Permits the DCA to transfer the FTE positions appropriated above for the division and program appropriations outlined below.

General Fund appropriation to the DCA for the Community Cultural Grants Program.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. Section 3 of this Bill provides additional funding for this Program through a standing appropriation in Iowa Code section [99F.11\(3\)\(d\)\(1\)](#). The purpose of the Program is to provide grants to cities, county governments, tribal councils, or nonprofit/tax-exempt community groups to support the development of community programs that provide jobs for Iowa citizens while promoting Iowa's cultural, ethnic, and historical heritages. This promotion can be achieved through the development of festivals, music, drama, cultural programs, historic restorations, or tourism projects.

1	32	c. HISTORICAL DIVISION	
1	33	For the support of the historical division:	
1	34	.....	\$ 1,488,898
1	35		<u>3,027,797</u>

General Fund appropriation to the DCA for the Historical Division.

DETAIL: This is a general increase of \$50,000 compared to estimated net FY 2018. The Historical Division is required to oversee the State Historical Museum, State Archives and Records, State Historic Preservation Office, State Historical Libraries, Iowa History Publications, Historic Resource Grants, Battle Flag Preservation Project, State Historic Sites, Civil War Sesquicentennial Committee, Archiving Former Governor's Papers, and Records Center Rent.

2	1	d. HISTORIC SITES	
2	2	For the administration and support of historic sites:	
2	3	.....	\$ 243,199
2	4		<u>426,398</u>

General Fund appropriation to the DCA for operation and maintenance of eight State historic sites.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The Historic Sites appropriation is used for the operation and maintenance of historic sites across Iowa that are owned by the State Historical Society. These sites present authentic stories of Iowa's history and prehistory. Many sites are operated in partnership with local historical societies and county conservation boards. The historical sites maintained by this appropriation are:

- The American Gothic House (Eldon, Iowa)
- Blood Run National Historic Landmark (Lyon County, Iowa)
- Edel Blacksmith Shop (Haverhill, Iowa)
- Abbie Gardner Sharp Cabin (Arnolds Park, Iowa)
- Montauk Historic Site (Clermont, Iowa)
- Plum Grove Historic Site (Iowa City, Iowa)
- Toolesboro Mounds National Historic Landmark (Toolesboro, Iowa)
- Western Historic Trails Center (Council Bluffs, Iowa)

2	5	e. ARTS DIVISION	
2	6	For the support of the arts division:	
2	7	.....	\$ 596,094
2	8		<u>1,217,188</u>

General Fund appropriation to the DCA for the Arts Division.

DETAIL: This is a general increase of \$25,000 compared to estimated net FY 2018. The appropriation is used to enrich the quality of life and learning in Iowa communities by encouraging excellence in the arts through leadership, grants, and technical assistance.

2	9	Of the moneys appropriated in this paragraph, the department
2	10	shall allocate \$150,000 <u>\$300,000</u> for purposes of the film
2	11	office.

Requires the DCA to allocate \$300,000 from the Arts Division to the Film Office.

DETAIL: Maintains the current allocation compared to estimated FY 2018.

2	12	f. IOWA GREAT PLACES
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General Fund appropriation to the DCA for administration of the Iowa

2 13 For the Iowa Great Places program established under section
 2 14 303.3C:
 2 15\$ 75,000
 2 16 150,000

Great Places Initiative.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The Iowa Great Places Initiative is designed to assist local communities in developing innovative and entrepreneurial cultural and tourism efforts.

2 17 g. RECORDS CENTER RENT
 2 18 For payment of rent for the state records center:
 2 19\$ 113,621
 2 20 227,243

General Fund appropriation to the DCA for rent at the State Records Center.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The Records Center Rent appropriation is made to pay for the rent of a building at 920 Morgan Street in Des Moines.

2 21 h. CULTURAL TRUST GRANTS
 2 22 For grant programs administered by the Iowa Arts Council
 2 23 including but not limited to those programs supporting the
 2 24 long-term financial stability and sustainability of nonprofit
 2 25 cultural organizations:
 2 26\$ 12,500
 2 27 75,000

General Fund appropriation to the DCA for Cultural Trust Grants.

DETAIL: This is a general increase of \$50,000 compared to estimated net FY 2018. The appropriation is used for a statewide educational program to promote participation in, expanded support of, and local endowment building for Iowa nonprofit arts, history, and sciences and humanities organizations.

2 28 2. Notwithstanding section 8.33, moneys appropriated in
 2 29 this section that remain unencumbered or unobligated at the
 2 30 close of the fiscal year shall not revert but shall remain
 2 31 available for expenditure for the purposes designated until the
 2 32 close of the succeeding fiscal year.

CODE: Allows any unexpended funds appropriated to the DCA for FY 2019 from the General Fund to remain available for expenditure in FY 2020.

2 33 Sec. 2. 2017 Iowa Acts, chapter 169, section 20, is amended
 2 34 to read as follows:

2 35 SEC. 20. ECONOMIC DEVELOPMENT AUTHORITY.

3 1 1. APPROPRIATION
 3 2 a. There is appropriated from the general fund of the state
 3 3 to the economic development authority for the fiscal year
 3 4 beginning July 1, 2018, and ending June 30, 2019, the following
 3 5 amount, or so much thereof as is necessary, to be used for the
 3 6 purposes designated in this subsection, and for not more than
 3 7 the following full-time equivalent positions:
 3 8\$ 6,700,000
 3 9 13,438,379
 3 10 FTEs 147.45
 3 11 126.15

General Fund appropriation to the IEDA for operations.

DETAIL: This is an increase of \$196,339, including an increase of \$157,960 for the restoration of the reduction made for FY 2018 in [SE 2117](#) (FY 2018 Budget Adjustment Act), and no change in FTE support compared to estimated net FY 2018. The FTE positions may be used for the following:

- Economic Development Appropriation.
- High Quality Jobs Creation Assistance.
- Economic Development Energy Projects Fund.
- Iowa Individual New Jobs Training (NJT) 260E Fund.

3 12 b. (1) For salaries, support, miscellaneous purposes,
 3 13 programs, marketing, and the maintenance of an administration
 3 14 division, a business development division, a community
 3 15 development division, a small business development division,
 3 16 and other divisions the authority may organize.
 3 17 (2) The full-time equivalent positions authorized under
 3 18 this section are funded, in whole or in part, by the moneys
 3 19 appropriated under this subsection or by other moneys received
 3 20 by the authority, including certain federal moneys.
 3 21 (3) For business development operations and programs,
 3 22 international trade, export assistance, workforce recruitment,
 3 23 and the partner state program.
 3 24 (4) For transfer to a fund created pursuant to section
 3 25 15.313 for purposes of financing strategic infrastructure
 3 26 projects.
 3 27 (5) For community economic development programs, tourism
 3 28 operations, community assistance, plans for Iowa green corps
 3 29 and summer youth programs, the mainstreet and rural mainstreet
 3 30 programs, the school-to-career program, the community
 3 31 development block grant, and housing and shelter-related
 3 32 programs.
 3 33 (6) For achieving the goals and accountability, and
 3 34 fulfilling the requirements and duties required under this Act.

3 35 c. Notwithstanding section 8.33, moneys appropriated in
 4 1 this subsection that remain unencumbered or unobligated at the
 4 2 close of the fiscal year shall not revert but shall remain
 4 3 available for expenditure for the purposes designated in this
 4 4 subsection until the close of the succeeding fiscal year.

4 5 2. FINANCIAL ASSISTANCE RESTRICTIONS

4 6 a. A business creating jobs through moneys appropriated in
 4 7 subsection 1 shall be subject to contract provisions requiring
 4 8 new and retained jobs to be filled by individuals who are
 4 9 citizens of the United States who reside within the United
 4 10 States or any person authorized to work in the United States
 4 11 pursuant to federal law, including legal resident aliens in the
 4 12 United States.
 4 13 b. Any vendor who receives moneys appropriated in
 4 14 subsection 1 shall adhere to such contract provisions and
 4 15 provide periodic assurances as the state shall require that the
 4 16 jobs are filled solely by citizens of the United States who
 4 17 reside within the United States or any person authorized to
 4 18 work in the United States pursuant to federal law, including
 4 19 legal resident aliens in the United States.

4 20 c. A business that receives financial assistance from
 4 21 the authority from moneys appropriated in subsection 1 shall

Specifies the designated purposes for the appropriation as follows:

- Operation of the divisions of the IEDA.
- Funding FTE positions through the appropriation, other funds, or federal funds as available.
- Funding business development operations and programs.
- Transferring moneys to the [Strategic Infrastructure Fund](#).
- Funding community economic development programs.
- Achieving the goals and accountability, and fulfilling the requirements and duties as specified.

CODE: Allows any unexpended funds appropriated to the IEDA for FY 2019 from the General Fund to remain available for expenditure in FY 2020.

Places the following restrictions on funds for the Economic Development appropriation:

- Requires businesses to be subject to contract provisions that require job positions to be filled by individuals who are citizens of the U.S., reside in the U.S., or are authorized to work in the U.S. pursuant to federal law.
- Requires businesses to adhere to contract provisions and provide periodic assurances of compliance.
- Requires businesses to employ only individuals legally authorized to work in Iowa.
- Permits the recapture of all or a portion of any financial assistance provided to a business that is found to knowingly employ individuals not legally authorized to work in Iowa.

4 22 only employ individuals legally authorized to work in this
 4 23 state. In addition to all other applicable penalties provided
 4 24 by current law, all or a portion of the assistance received
 4 25 by a business which is found to knowingly employ individuals
 4 26 not legally authorized to work in this state is subject to
 4 27 recapture by the authority.

4 28 3. USES OF APPROPRIATIONS

4 29 a. From the moneys appropriated in subsection 1, the
 4 30 authority may provide financial assistance in the form of a
 4 31 grant to a community economic development entity for conducting
 4 32 a local workforce recruitment effort designed to recruit former
 4 33 citizens of the state and former students at colleges and
 4 34 universities in the state to meet the needs of local employers.

4 35 b. From the moneys appropriated in subsection 1, the
 5 1 authority may provide financial assistance to early stage
 5 2 industry companies being established by women entrepreneurs.
 5 3 c. From the moneys appropriated in subsection 1, the
 5 4 authority may provide financial assistance in the form of
 5 5 grants, loans, or forgivable loans for advanced research and
 5 6 commercialization projects involving value-added agriculture,
 5 7 advanced technology, or biotechnology.

5 8 d. The authority shall not use any moneys appropriated in
 5 9 subsection 1 for purposes of providing financial assistance for
 5 10 the Iowa green streets pilot project or for any other program
 5 11 or project that involves the installation of geothermal systems
 5 12 for melting snow and ice from streets or sidewalks.

5 13 4. WORLD FOOD PRIZE

5 14 There is appropriated from the general fund of the state
 5 15 to the economic development authority for the fiscal year
 5 16 beginning July 1, 2018, and ending June 30, 2019, the following
 5 17 amount for the world food prize and in lieu of the standing
 5 18 appropriation in section 15.368:

5 19	\$	200,000
5 20		<u>375,000</u>

Permits the IEDA to use the funds appropriated in the Economic Development appropriation as follows:

- For a program designed to recruit former Iowa residents and former students at Iowa colleges and universities to meet the needs of local employers.
- For a program to assist early-stage industry companies established by female entrepreneurs.
- For a program to assist advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

Prohibits the IEDA from using any appropriated funds to provide financial assistance to any project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

Limits the FY 2019 General Fund appropriation to the IEDA for the World Food Prize to \$375,000.

DETAIL: This is a decrease of \$625,000 compared to the [standing appropriation](#) of \$1,000,000 in the Iowa Code, and a general decrease of \$25,000 compared to estimated net FY 2018. The appropriation is used for administration and support of the World Food Prize and for the Borlaug/Ruan Scholar Program.

NOTE: In recent years there has been an appropriation of \$300,000 to the IEDA in the Infrastructure Appropriations Act for the support of the World Food Prize, including the Borlaug/Ruan Scholarship Program.

5 21 5. IOWA COMMISSION ON VOLUNTEER SERVICE

5 22 There is appropriated from the general fund of the state
 5 23 to the economic development authority for the fiscal year
 5 24 beginning July 1, 2018, and ending June 30, 2019, the following
 5 25 amount for allocation to the Iowa commission on volunteer

General Fund appropriation to the Iowa Commission on Volunteer Service.

DETAIL: Maintains the current funding level and FTE support compared to estimated net FY 2018.

5 26 service for purposes of the Iowa state commission grant
 5 27 program, the Iowa's promise and Iowa mentoring partnership
 5 28 programs, and for not more than the following full-time
 5 29 equivalent positions:
 5 30\$ 84,100
 5 31168,201
 5 32 FTEs 7.00

5 33 Of the moneys appropriated in this subsection, the authority
 5 34 shall allocate ~~\$37,500~~ \$75,000 for purposes of the Iowa state
 5 35 commission grant program and ~~\$46,600~~ \$93,201 for purposes of
 6 1 the Iowa's promise and Iowa mentoring partnership programs.

Allocates \$75,000 for the Iowa Commission on Volunteer Service Grant Program and \$93,201 for the Iowa's Promise and Mentoring Partnership Programs.

DETAIL: Maintains the current funding allocation for the Grant Program and the Iowa's Promise and Mentoring Partnership Programs compared to estimated FY 2018.

The Iowa Commission on Volunteer Service Grant Program allocation is used to help organizations prepare an application for a full AmeriCorps Program grant and plan for implementation of future AmeriCorps programming. The Grants fund the development of new AmeriCorps Program models that seek to engage AmeriCorps members in evidence-based interventions to solve community problems. A grant can support staffing or consultant expenses, travel, materials, and other costs necessary to conduct a community needs assessment; bring together community partners to help design appropriate service activities to address community needs identified; develop financial plans to support cost share; and develop high quality plans for managing program implementation. Grants may not be used to support AmeriCorps members.

The Iowa Mentoring Partnership (IMP) certifies Iowa mentoring programs, promotes mentoring through events and education, provides e-mentoring web service to Iowa programs, facilitates collaboration through a provider board, and provides statewide training and technical assistance to Iowa programs.

6 2 Notwithstanding section 8.33, moneys appropriated in this
 6 3 subsection that remain unencumbered or unobligated at the close
 6 4 of the fiscal year shall not revert but shall remain available
 6 5 for expenditure for the purposes designated until the close of
 6 6 the succeeding fiscal year.

CODE: Allows any unexpended funds appropriated from the General Fund to the Iowa Commission on Volunteer Service Grant Program and the Iowa's Promise and Mentoring Partnership Programs for FY 2019 to remain available for expenditure in FY 2020.

6 7 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

6 8 There is appropriated from the general fund of the state
 6 9 to the economic development authority for the fiscal year
 6 10 beginning July 1, 2018, and ending June 30, 2019, the following

General Fund appropriation to the IEDA for financial assistance to the Iowa Councils of Governments (COGs).

DETAIL: This is a general increase of \$25,000 compared to estimated

6 11 amount to be used for the purposes of providing financial
 6 12 assistance to Iowa's councils of governments:
 6 13\$ 87,500
 6 14200,000

net FY 2018. The appropriation is used to leverage federal and local dollars for various COG programs.

6 15 7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
 6 16 INTERNSHIPS

Skilled Worker and Job Creation Fund (SWJCF) appropriation to the IEDA for internships in the fields of science, technology, engineering, and mathematics (STEM) with eligible Iowa employers.

6 17 a. There is appropriated from the Iowa skilled worker and
 6 18 job creation fund created in section 8.75 to the Iowa economic
 6 19 development authority for the fiscal year beginning July 1,
 6 20 2018, and ending June 30, 2019, the following amount, or so
 6 21 much thereof as is necessary, for the purposes designated:
 6 22 For the funding of internships for students studying in the
 6 23 fields of science, technology, engineering, and mathematics
 6 24 with eligible Iowa employers as provided in section 15.411,
 6 25 subsection 3, paragraph "c":
 6 26\$ 500,000
 6 271,000,000

DETAIL: Maintains the current funding level compared to estimated FY 2018. The STEM Internship Program was established during the 2014 Legislative Session by [HF 2460](#) (FY 2015 Economic Development Appropriations Subcommittee Act). The Program provides funding of internships for students studying in the STEM fields with eligible Iowa employers. Iowa Code section [15.411\(3\)\(c\)](#) establishes the STEM requirements for the IEDA.

6 28 b. No more than 3 percent of the moneys appropriated in this
 6 29 subsection may be used by the authority for costs associated
 6 30 with administration of the internship program.

Restricts the IEDA to no more than 3.00% of the appropriation for costs related to the administration of the STEM Internship Program.

6 31 c. Notwithstanding section 8.33, moneys appropriated in
 6 32 this subsection which remain unencumbered or unobligated at
 6 33 the end of the fiscal year shall not revert but shall remain
 6 34 available for expenditure for the purposes designated in
 6 35 subsequent fiscal years.

CODE: Allows any unexpended funds appropriated to the IEDA from the SWJCF for the STEM Internships Program for FY 2019 to remain available for expenditure in FY 2020.

7 1 Sec. 3. 2017 Iowa Acts, chapter 169, section 21, is amended
 7 2 to read as follows:

7 3 SEC. 21. LIMITATIONS OF STANDING APPROPRIATIONS — FY
 7 4 2018-2019. Notwithstanding the standing appropriations
 7 5 in the following designated sections for the fiscal year
 7 6 beginning July 1, 2018, and ending June 30, 2019, the amounts
 7 7 appropriated from the general fund of the state pursuant to
 7 8 these sections for the following purposes shall not exceed the
 7 9 following amounts:

Specifies that the standing limited General Fund appropriation for the County Endowment Fund for Department of Cultural Affairs Grants is \$448,403 for FY 2019.

7 10 1. For operational support grants and community cultural
 7 11 grants under section 99F.11, subsection 3, paragraph "d",
 7 12 subparagraph (1):
 7 13\$ 208,354
 7 14448,403

DETAIL: This appropriation is a general increase of \$31,701 compared to estimated net FY 2018. Iowa Code section [99F.11\(3\)\(d\)\(1\)](#) provides a standing limited appropriation of \$520,000 for operational support and grants from a portion of the State Wagering Tax revenue deposited in the General Fund. This is a grant program specified in Iowa Code section [303.3](#) for cities and nonprofit, tax-exempt community organizations for the development of community programs that provide local jobs for Iowa residents and also promote Iowa's historic, ethnic, and cultural heritages.

7 15 2. For the purposes of regional tourism marketing under
 7 16 section 99F.11, subsection 3, paragraph "d", subparagraph (2):

Specifies that the standing limited General Fund appropriation from the Adjusted Gross Receipts to the IEDA for Tourism Marketing is

7 17\$ 450,000
 7 18 900,000

\$900,000 for FY 2019.

DETAIL: This appropriation is no change compared to estimated net FY 2018. Iowa Code section [99F.11](#)(3)(d)(2) provides a standing limited appropriation from a portion of the State Wagering Tax revenue deposited in the General Fund.

7 19 Sec. 4. 2017 Iowa Acts, chapter 169, is amended by adding
 7 20 the following new section:

7 21 NEW SECTION SEC. 21A. FINANCIAL ASSISTANCE REPORTING
 7 22 — ECONOMIC DEVELOPMENT AUTHORITY. The economic development
 7 23 authority shall submit an annual report to the general
 7 24 assembly no later than November 1 of each year that details the
 7 25 amount of every direct loan, forgivable loan, tax credit, tax
 7 26 exemption, tax refund, grant, or any other financial assistance
 7 27 awarded to a person during the prior fiscal year by the
 7 28 authority under an economic development program administered by
 7 29 the authority. The report shall identify the county where the
 7 30 project associated with each such award is located.

Requires the IEDA to submit an annual report by November 1 to the General Assembly regarding all financial assistance awards for the prior fiscal year, including the county location of each project.

7 31 Sec. 5. 2017 Iowa Acts, chapter 169, section 22, is amended
 7 32 to read as follows:

7 33 SEC. 22. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
 7 34 collected by the division of insurance in excess of the
 7 35 anticipated gross revenues under section 505.7, subsection 3,
 8 1 during the fiscal year beginning July 1, 2018, ~~\$50,000~~ \$100,000
 8 2 shall be transferred to the economic development authority for
 8 3 insurance economic development and international insurance
 8 4 economic development.

Transfers insurance receipts to the IEDA for insurance economic development.

DETAIL: This is no change compared to estimated FY 2018. Funds collected by the Insurance Division of the Department of Commerce in excess of the anticipated gross revenues are allocated to the IEDA for insurance economic development purposes. These funds are used by the IEDA to recruit insurance companies to the State.

8 5 Sec. 6. 2017 Iowa Acts, chapter 169, section 23, is amended
 8 6 to read as follows:

8 7 SEC. 23. IOWA FINANCE AUTHORITY.
 8 8 1. There is appropriated from the general fund of the state
 8 9 to the Iowa finance authority for the fiscal year beginning
 8 10 July 1, 2018, and ending June 30, 2019, the following amount,
 8 11 or so much thereof as is necessary, to be used to provide
 8 12 reimbursement for rent expenses to eligible persons under
 8 13 the home and community-based services rent subsidy program
 8 14 established in section 16.55:
 8 15\$ 329,000
 8 16 658,000

General Fund appropriation to the Iowa Finance Authority (IFA) for the Home and Community-Based Services (HCBS) Rent Subsidy Program.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The Home and Community-Based Services Rent Subsidy Program provides rent assistance to individuals on one of the Medicaid Home and Community-Based Services (HCBS) Waivers. Individuals who are on an HCBS Waiver have their health care and other support services paid by the Medicaid Program; however, due to federal law, the Medicaid Program cannot pay for housing unless it is in an

institutional setting. The Rent Subsidy Program provides a monthly rent assistance payment to these individuals to help them live successfully in their own homes or communities, until they become eligible for any other local, State, or federal rent assistance.

8 17 2.—If the Iowa finance authority utilizes a waiting list,
8 18 the authority shall give priority to a person participating
8 19 in the state's money follows the person partnership for
8 20 community integration project who has been assigned to work
8 21 with a transition specialist. Of the moneys appropriated in
8 22 this section, not more than ~~\$17,500~~ \$35,000 may be used for
8 23 administrative costs.

Conforms to the enactment of [HF 586](#) (Iowa Finance Authority Programs Act) and Iowa Code section [16.55](#). Permits the IFA to use up to \$35,000 for administrative costs associated with the Rent Subsidy Program.

DETAIL: This is no change compared to the FY 2018 allocation.

8 24 Sec. 7. 2017 Iowa Acts, chapter 169, section 25, is amended
8 25 to read as follows:

8 26 SEC. 25. PUBLIC EMPLOYMENT RELATIONS BOARD.

8 27 1. There is appropriated from the general fund of the state
8 28 to the public employment relations board for the fiscal year
8 29 beginning July 1, 2018, and ending June 30, 2019, the following
8 30 amount, or so much thereof as is necessary, for the purposes
8 31 designated:

8 32 For salaries, support, maintenance, and miscellaneous
8 33 purposes, and for not more than the following full-time
8 34 equivalent positions:

8 35	..... \$	671,226
9 1		1,492,452
9 2	..... FTEs	40.00
9 3		11.00

General Fund appropriation to the Public Employment Relations Board (PERB).

DETAIL: This is an increase of \$150,000 and 1.00 FTE position compared to estimated net FY 2018 for an additional Administrative Law Judge. The appropriation is used for implementing the provisions of the Public Employment Relations Act (PERA), and for adjudicating and conciliating labor/management disputes involving public employers and employee organizations throughout the State.

9 4 2. Of the moneys appropriated in this section, the board
9 5 shall allocate ~~\$7,500~~ \$15,000 for maintaining an internet site
9 6 that allows searchable access to a database of collective
9 7 bargaining information.

Requires the allocation of \$15,000 for a searchable website containing collective bargaining information.

DETAIL: This is no change compared to the FY 2018 allocation.

9 8 Sec. 8. 2017 Iowa Acts, chapter 169, section 26, is amended
9 9 to read as follows:

9 10 SEC. 26. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
9 11 is appropriated from the general fund of the state to the
9 12 department of workforce development for the fiscal year
9 13 beginning July 1, 2018, and ending June 30, 2019, the following
9 14 amounts, or so much thereof as is necessary, for the purposes
9 15 designated:

General Fund appropriations to the Iowa Workforce Development (IWD).

9 16 1. DIVISION OF LABOR SERVICES

9 17 a. For the division of labor services, including salaries,

General Fund appropriation to the IWD Division of Labor Services.

9 18 support, maintenance, and miscellaneous purposes, and for not
 9 19 more than the following full-time equivalent positions:
 9 20 \$ 1,745,626
 9 21 3,491,252
 9 22 FTEs 64.42
 9 23 57.90

DETAIL: This is a general increase of \$20,000 and no change in FTE positions compared to estimated net FY 2018. The appropriation is used to enforce safety standards in the workplace, provide consultation to employers on occupational safety and health compliance, conduct certain equipment inspections, maintain statistical information on illness and injuries in the workplace, and enforce wage, labor, and child labor laws.

NOTE: The estimated FY 2018 General Fund support was reduced by \$20,000 with the enactment of [SF 2117](#) (FY 2018 Budget Adjustment Act).

9 24 b. From the contractor registration fees, the division of
 9 25 labor services shall reimburse the department of inspections
 9 26 and appeals for all costs associated with hearings under
 9 27 chapter 91C, relating to contractor registration.

Requires the Division of Labor Services to reimburse the Employment Appeal Board of the Department of Inspections and Appeals, using contractor registration fees, for costs associated with hearings related to contractor registration.

9 28 2. DIVISION OF WORKERS' COMPENSATION

9 29 a. For the division of workers' compensation, including
 9 30 salaries, support, maintenance, and miscellaneous purposes, and
 9 31 for not more than the following full-time equivalent positions:
 9 32 \$ 1,629,522
 9 33 3,259,044
 9 34 FTEs 27.20
 9 35 27.00

General Fund appropriation to the IWD Division of Workers' Compensation.

DETAIL: Maintains the current funding level and FTE support compared to estimated net FY 2018. The appropriation is used to support three core functions: adjudication of disputed workers' compensation claims, enforcement of compliance standards, and education of Iowans about workers' compensation laws and procedures.

10 1 b. The division of workers' compensation shall charge a
 10 2 \$100 filing fee for workers' compensation cases. The filing
 10 3 fee shall be paid by the petitioner of a claim. However, the
 10 4 fee can be taxed as a cost and paid by the losing party, except
 10 5 in cases where it would impose an undue hardship or be unjust
 10 6 under the circumstances. The moneys generated by the filing
 10 7 fee allowed under this subsection are appropriated to the
 10 8 department of workforce development to be used for purposes of
 10 9 administering the division of workers' compensation.

Requires the Workers' Compensation Division to continue to charge a \$100 filing fee for workers' compensation cases. Permits the losing party to be taxed for the fee, unless it would impose an undue hardship or be unjust. Appropriates the fees collected to the IWD to be used for the administration of the Workers' Compensation Division.

DETAIL: This is no change compared to estimated FY 2018.

10 10 3. WORKFORCE DEVELOPMENT OPERATIONS

10 11 a. For the operation of field offices, the workforce
 10 12 development board, and for not more than the following
 10 13 full-time equivalent positions:
 10 14 \$ 3,972,825
 10 15 7,945,650

General Fund appropriation to the IWD for the operation of field offices and the Workforce Development Board.

DETAIL: An increase of \$96,960 for the restoration of the reduction made for FY 2018 in [SF 2117](#) (FY 2018 Budget Adjustment Act) and a general decrease of 0.40 in FTE support compared to estimated net FY 2018. The appropriation is used to support the field offices, the Workforce Development Board, and the State Library. The field offices

deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

Total FY 2019 Field Offices funding is \$10,621,734, which is \$597,000 less than the estimated FY 2018 funding. The funding is from the following sources:

- \$7,795,650 from the General Fund, excluding \$150,000 allocated to the State Library (must also support the Workforce Development Board).
- \$1,766,084 from the Special Employment Security Contingency Fund (see Section 10).
- \$1,060,000 from the Unemployment Compensation Reserve Fund Interest (see Section 11).

10 16	..... FTEs	187.75
10 17		<u>183.78</u>

10 18 b. Of the moneys appropriated in paragraph "a" of this
 10 19 subsection, the department shall allocate ~~\$75,000~~ \$150,000
 10 20 to the state library for the purpose of licensing an online
 10 21 resource which prepares persons to succeed in the workplace
 10 22 through programs which improve job skills and vocational
 10 23 test-taking abilities.

Allocates \$150,000 to the State Library for licensing the LearningExpress Library.

DETAIL: Maintains the current FY 2018 funding allocation.

10 24 4. OFFENDER REENTRY PROGRAM

10 25 a. For the development and administration of an offender
 10 26 reentry program to provide offenders with employment skills,
 10 27 and for not more than the following full-time equivalent
 10 28 positions:

10 29	..... \$	143,579
10 30		<u>387,158</u>
10 31	..... FTEs	4.00
10 32		<u>5.00</u>

General Fund appropriation to the IWD for the Offender Reentry Program.

DETAIL: This is a general increase of \$100,000 and 1.00 FTE position compared to estimated net FY 2018. The appropriation is used to place workforce advisors onsite at the Mitchellville, Newton, and Rockwell City prisons. This staff works with soon-to-be-released ex-felons, with the goal of having them placed in a job before they leave prison.

10 33 b. The department of workforce development shall partner
 10 34 with the department of corrections to provide staff within the
 10 35 correctional facilities to improve offenders' abilities to find
 11 1 and retain productive employment.

Requires the IWD to partner with the Department of Corrections to improve the ability of offenders to find and retain employment.

11 2 5. INTEGRATED INFORMATION FOR IOWA SYSTEM

11 3 For the payment of services provided by the department of
 11 4 administrative services related to the integrated information
 11 5 for Iowa system:

11 6	..... \$	114,411
11 7		<u>228,822</u>

General Fund appropriation to the IWD for the expenses of the Integrated Information for Iowa (I/3) System.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The appropriation is used to reimburse the Department of Administrative Services (DAS) for the expenses of operating the I/3

System related to use by the IWD.

CODE: Allows any unexpended funds appropriated to the IWD for FY 2019 from the General Fund to remain available for expenditure in FY 2020 for the following:

- Division of Labor Services.
- Division of Workers' Compensation.
- Workforce Development Operations for Field Offices and Workforce Development Board.
- Offender Reentry Program.
- Integrated Information for Iowa (I/3) System.

General Fund appropriation to the IWD for investigation of employers that misclassify workers.

DETAIL: This is a general decrease of \$50,000 and no change in FTE support compared to estimated net FY 2018. Employee misclassification takes place when an employer incorrectly classifies workers as independent contractors rather than employees. An employer has different legal, tax, and financial obligations depending on how a worker is classified. Intentionally misclassifying workers is illegal and constitutes tax and insurance evasion.

NOTE: The estimated FY 2018 General Fund support was reduced by \$50,000 with the enactment of [SF 2117](#) (FY 2018 Budget Adjustment Act).

11 8 6. NONREVERSION

11 9 Notwithstanding section 8.33, moneys appropriated in this
11 10 section that remain unencumbered or unobligated at the close of
11 11 the fiscal year shall not revert but shall remain available for
11 12 expenditure for the purposes designated until the close of the
11 13 succeeding fiscal year.

11 14 Sec. 9. 2017 Iowa Acts, chapter 169, section 27, is amended
11 15 to read as follows:

11 16 SEC. 27. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
11 17 PROGRAM. There is appropriated from the general fund of the

11 18 state to the department of workforce development for the fiscal
11 19 year beginning July 1, 2018, and ending June 30, 2019, the
11 20 following amount, or so much thereof as is necessary, to be
11 21 used for the purposes designated:

11 22 For enhancing efforts to investigate employers that
11 23 misclassify workers and for not more than the following
11 24 full-time equivalent positions:

11 25	.....	\$	214,815
11 26	.....		<u>329,631</u>
11 27	..... FTEs		5.00
11 28	.....		<u>4.50</u>

11 29 Sec. 10. 2017 Iowa Acts, chapter 169, section 28, is amended
11 30 to read as follows:

11 31 SEC. 28. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

11 32 1. There is appropriated from the special employment
11 33 security contingency fund to the department of workforce
11 34 development for the fiscal year beginning July 1, 2018, and
11 35 ending June 30, 2019, the following amount, or so much thereof
12 1 as is necessary, to be used for field offices:

12 2	.....	\$	883,042
12 3	.....		<u>1,766,084</u>

Special Employment Security Contingency Fund appropriation to the IWD for operation of the field offices. This Fund is also known as the Penalty and Interest or P&I Fund.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The field offices deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

NOTE: Total funding for field offices is discussed in Section 8.3(a) of this Bill. Section 9 provides a General Fund appropriation and Section

11 provides an Unemployment Insurance Reserve Fund interest appropriation for field offices.

Appropriates any remaining penalty and interest revenues to be used as needed by the IWD.

12 4 2. Any remaining additional penalty and interest revenue
12 5 collected by the department of workforce development is
12 6 appropriated to the department for the fiscal year beginning
12 7 July 1, 2018, and ending June 30, 2019, to accomplish the
12 8 mission of the department.

12 9 Sec. 11. 2017 Iowa Acts, chapter 169, section 29, is amended
12 10 to read as follows:

12 11 SEC. 29. UNEMPLOYMENT COMPENSATION RESERVE FUND —
12 12 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
12 13 paragraph “e”, there is appropriated from interest earned on
12 14 the unemployment compensation reserve fund to the department
12 15 of workforce development for the fiscal year beginning July 1,
12 16 2018, and ending June 30, 2019, the following amount, or so
12 17 much thereof as is necessary, for the purposes designated:
12 18 For the operation of field offices:
12 19\$ 530,000
12 201,060,000

Unemployment Compensation Reserve Fund interest appropriation to the IWD for operation of the field offices.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. The field offices deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

NOTE: Total funding for field offices is discussed in Section 8.3(a) of this Bill. Section 8 provides a General Fund appropriation and Section 10 provides a Special Employment Security Contingency Fund appropriation for field offices.

12 21 Sec. 12. 2017 Iowa Acts, chapter 169, section 32, is amended
12 22 to read as follows:

12 23 SEC. 32. IOWA SKILLED WORKER AND JOB CREATION FUND.
12 24 1. There is appropriated from the Iowa skilled worker and
12 25 job creation fund created in section 8.75 to the following
12 26 departments, agencies, and institutions for the fiscal year
12 27 beginning July 1, 2018, and ending June 30, 2019, the following
12 28 amounts, or so much thereof as is necessary, to be used for the
12 29 purposes designated:

12 30 a. ECONOMIC DEVELOPMENT AUTHORITY

12 31 (1) For the purposes of providing assistance under the high
12 32 quality jobs program as described in section 15.335B:
12 33\$ 7,950,000
12 3412,000,000

[Skilled Worker and Job Creation Fund](#) (SWJCF) appropriations to various departments.

Skilled Worker and Job Creation Fund appropriation to the IEDA for the [High Quality Jobs Program](#).

DETAIL: This is an increase of \$6,100,000 compared to estimated net FY 2018. The appropriation may be used to provide cash incentives for the following:

- Project completion assistance.

Economic development region financial assistance.

- Assistance for business accelerators.
- Innovation and commercialization.
- Disaster recovery.
- Entrepreneur investment awards.
- Strategic infrastructure.
- Property remediation.
- Building remediation.

12 35 (2) From the moneys appropriated in this lettered paragraph
13 1 "a", the economic development authority may use not more than
13 2 ~~\$500,000~~ \$1,000,000 for purposes of providing infrastructure
13 3 grants to mainstreet communities under the main street Iowa
13 4 program.

Permits the IEDA to use no more than \$1,000,000 of this appropriation for the Main Street Iowa Program.

DETAIL: This is no change compared to estimated FY 2018.

13 5 (3) As a condition of receiving moneys appropriated in
13 6 this lettered paragraph "a", an entity shall testify upon the
13 7 request of the joint appropriations subcommittee on economic
13 8 development regarding the expenditure of such moneys.

Requires recipients of SWJCF appropriations to testify regarding the use of the funds appropriated in this Division for the High Quality Jobs Initiative at the request of the Economic Development Appropriations Subcommittee.

13 9 (4) For the funding of a registered apprenticeship
13 10 development program designed to encourage small to midsize
13 11 businesses to start or grow registered apprenticeships:
13 12 \$ 1,000,000

Skilled Worker and Job Creation Fund appropriation to the IEDA for a new appropriation to fund a Registered Apprenticeship Development Program for small to midsize businesses.

13 13 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

13 14 (1) STATE BOARD OF REGENTS. For capacity building
13 15 infrastructure in areas related to technology
13 16 commercialization, marketing and business development
13 17 efforts in areas related to technology commercialization,
13 18 entrepreneurship, and business growth, and infrastructure
13 19 projects and programs needed to assist in implementation of
13 20 activities under chapter 262B:
13 21 \$ 1,500,000
13 22 3,000,000

Skilled Worker and Job Creation Fund appropriation to the Board of Regents for the commercialization of research.

DETAIL: Maintains the current funding level compared to estimated net FY 2018.

13 23 Of the moneys appropriated pursuant to this subparagraph
13 24 (1), 35 percent shall be allocated for Iowa state university of
13 25 science and technology, 35 percent shall be allocated for the
13 26 state university of Iowa, and 30 percent shall be allocated for
13 27 the university of northern Iowa.

Specifies the allocation of the Board of Regents funding among the three Regent universities as follows:

- Iowa State University (ISU): \$1,050,000.
- University of Iowa (UI): \$1,050,000.
- University of Northern Iowa (UNI): \$900,000.

13 28 (a) The institutions shall provide a one-to-one match
13 29 of additional moneys for the activities funded with moneys

Requires the Regents universities to provide a one-to-one match of funding received from the Regents funding.

13 30 appropriated under this subparagraph (1).

13 31 (b) The state board of regents shall annually submit a
 13 32 report by January 15 to the governor, the general assembly,
 13 33 and the legislative services agency regarding the activities,
 13 34 projects, and programs funded with moneys appropriated under
 13 35 this subparagraph (1). The report shall be provided in an
 14 1 electronic format and shall include a list of metrics and
 14 2 criteria mutually agreed to in advance by the board of regents
 14 3 and the economic development authority. The metrics and
 14 4 criteria shall allow the governor's office and the general
 14 5 assembly to quantify and evaluate the progress of the board of
 14 6 regents institutions with regard to their activities, projects,
 14 7 and programs in the areas of technology commercialization,
 14 8 entrepreneurship, regional development, and market research.

Requires the Board of Regents to submit an annual report by January 15 to the Governor, the General Assembly, and the Legislative Services Agency (LSA) regarding the use of the appropriation to the Board of Regents.

14 9 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
 14 10 small business development centers, the science and technology
 14 11 research park, and the center for industrial research and
 14 12 service, and for not more than the following full-time
 14 13 equivalent positions:

Skilled Worker and Job Creation Fund appropriation to ISU for ongoing economic development efforts.

DETAIL: Maintains the current funding level and FTE positions compared to estimated net FY 2018.

14 14	.....	\$	1,212,151
14 15			<u>2,424,302</u>
14 16	.....	FTEs	56.63

14 17 (a) Of the moneys appropriated in this subparagraph
 14 18 (2), Iowa state university of science and technology shall
 14 19 allocate at least ~~\$367,864~~ \$735,728 for purposes of funding
 14 20 small business development centers. Iowa state university of
 14 21 science and technology may allocate the appropriated moneys to
 14 22 the various small business development centers in any manner
 14 23 necessary to achieve the purposes of this subparagraph.

Specifies that at least \$735,728 of the appropriation must be allocated to the Small Business Development Centers (SBDCs).

DETAIL: This maintains the current minimum allocation.

14 24 (b) Iowa state university of science and technology shall
 14 25 do all of the following:

Requires ISU to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize the provision of services to Iowa-based companies.

14 26 (i) Direct expenditures for research toward projects that
 14 27 will provide economic stimulus for Iowa.

14 28 (ii) Provide emphasis to providing services to Iowa-based
 14 29 companies.

14 30 (c) It is the intent of the general assembly that the
 14 31 industrial incentive program focus on Iowa industrial sectors
 14 32 and seek contributions and in-kind donations from businesses,
 14 33 industrial foundations, and trade associations, and that moneys
 14 34 for the center for industrial research and service industrial
 14 35 incentive program shall be allocated only for projects which
 15 1 are matched by private sector moneys for directed contract
 15 2 research or for nondirected research. The match required of

Specifies the General Assembly's intent that the Industrial Incentive Program seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program.

15 3 small businesses as defined in section 15.102, subsection 8,
 15 4 for directed contract research or for nondirected research
 15 5 shall be \$1 for each \$3 of state funds. The match required
 15 6 for other businesses for directed contract research or
 15 7 for nondirected research shall be \$1 for each \$1 of state
 15 8 funds. The match required of industrial foundations or trade
 15 9 associations shall be \$1 for each \$1 of state funds.

15 10 Iowa state university of science and technology shall
 15 11 report annually to the joint appropriations subcommittee on
 15 12 economic development and the legislative services agency the
 15 13 total amount of private contributions, the proportion of
 15 14 contributions from small businesses and other businesses, and
 15 15 the proportion for directed contract research and nondirected
 15 16 research of benefit to Iowa businesses and industrial sectors.

15 17 (3) STATE UNIVERSITY OF IOWA. For the state university
 15 18 of Iowa research park and for the advanced drug development
 15 19 program at the Oakdale research park, including salaries,
 15 20 support, maintenance, equipment, and miscellaneous purposes,
 15 21 and for not more than the following full-time equivalent
 15 22 positions:

15 23	.....	\$	104,639
15 24	.....		<u>209,279</u>
15 25	.....	FTEs	6.00

15 26 The state university of Iowa shall do all of the following:
 15 27 (a) Direct expenditures for research toward projects that
 15 28 will provide economic stimulus for Iowa.
 15 29 (b) Provide emphasis to providing services to Iowa-based
 15 30 companies.

15 31 (4) STATE UNIVERSITY OF IOWA. For the purpose of
 15 32 implementing the entrepreneurship and economic growth
 15 33 initiative, and for not more than the following full-time
 15 34 equivalent positions:

15 35	.....	\$	1,000,000
16 1	.....		<u>2,000,000</u>
16 2	.....	FTEs	8.00

16 3 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
 16 4 institute center, the MyEntreNet internet application, and the
 16 5 institute of for decision making, including salaries, support,
 16 6 maintenance, and miscellaneous purposes, and for not more than
 16 7 the following full-time equivalent positions:

16 8	.....	\$	533,209
16 9	.....		<u>1,066,419</u>
16 10	.....	FTEs	8.12

Requires ISU to report annually to the Economic Development Appropriations Subcommittee and the LSA regarding the total amount of private contributions received, the proportion of those contributions from small businesses, and the proportion used for directed contract research and nondirected research.

Skilled Worker and Job Creation Fund appropriation to the UI for ongoing economic development efforts.

DETAIL: Maintains the current funding level and FTE positions compared to estimated net FY 2018.

Requires the UI to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.

Skilled Worker and Job Creation Fund appropriation to the UI for the Entrepreneurship and Economic Growth Initiative.

DETAIL: Maintains the current funding level and FTE support compared to estimated net FY 2018. The appropriation is to expand public/private partnerships and programming through the Pappajohn Entrepreneurial Center.

Skilled Worker and Job Creation Fund appropriation to the University of Northern Iowa (UNI) for ongoing economic development efforts related to the Metal Casting Center, the MyEntre.Net Internet application, and the Institute for Decision Making.

DETAIL: Maintains the current funding level and FTE support compared to estimated net FY 2018.

16 11 (a) Of the moneys appropriated pursuant to this
 16 12 subparagraph (5), the university of northern Iowa shall
 16 13 allocate at least ~~\$308,849~~ \$617,638 for purposes of support
 16 14 of entrepreneurs through the university's center for business
 16 15 growth and innovation and advance Iowa program.

Requires that at least \$617,638 of the appropriation be allocated to the UNI's Center for Business Growth and Innovation and the Advance Iowa Program.

DETAIL: This is a general decrease of \$1 compared to estimated FY 2018.

16 16 (b) The university of northern Iowa shall do all of the
 16 17 following:
 16 18 (i) Direct expenditures for research toward projects that
 16 19 will provide economic stimulus for Iowa.
 16 20 (ii) Provide emphasis to providing services to Iowa-based
 16 21 companies.

Requires the UNI to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.

16 22 (6) As a condition of receiving moneys appropriated in
 16 23 this lettered paragraph "b", an entity shall testify upon the
 16 24 request of the joint appropriations subcommittee on economic
 16 25 development regarding the expenditure of such moneys.

Requires recipients of SWJCF appropriations to testify regarding the use of the funds appropriated at the request of the Economic Development Appropriations Subcommittee.

16 26 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

16 27 (1) To develop a long-term sustained program to train
 16 28 unemployed and underemployed central Iowans with skills
 16 29 necessary to advance to higher-paying jobs with full benefits:
 16 30 \$ 50,000
 16 31 100,000

Skilled Worker and Job Creation Fund appropriation to the IWD for a long-term sustained job training program.

DETAIL: Maintains the current funding level compared to estimated net FY 2018. This is for a training program to be developed by a group similar to A Mid-Iowa Organizing Strategy (AMOS) and Project IOWA.

16 32 ~~—(1)~~ (a) The department of workforce development shall begin
 16 33 a request for proposals process, issued for purposes of this
 16 34 lettered paragraph "c", no later than September 1, 2018.

Requires the IWD to issue a request for proposal (RFP) no later than September 1, 2018.

16 35 ~~—(2)~~ (b) As a condition of receiving moneys appropriated
 17 1 under this lettered paragraph "c", an entity shall testify
 17 2 upon the request of the joint appropriations subcommittee on
 17 3 economic development regarding the expenditure of such moneys.

Requires the IWD and the entity that receives the RFP to testify regarding the use of the funds at the request of the Economic Development Appropriations Subcommittee.

17 4 (2) For the funding for a summer youth intern pilot program
 17 5 that will help young people at risk of not graduating from high
 17 6 school to explore and prepare for high-demand careers through
 17 7 summer work experience, including the development of soft
 17 8 skills:
 17 9 \$ 250,000

Skilled Worker and Job Creation Fund appropriation to the IWD for a new appropriation to fund a new Summer Youth Work Pilot Program.

17 10 (3) For the funding of a future ready Iowa coordinator in
 17 11 the department:

Skilled Worker and Job Creation Fund appropriation to the IWD for a new appropriation to fund a Future Ready Iowa Coordinator.

17 12 \$ 150,000

17 13 2. Notwithstanding section 8.33, moneys appropriated
17 14 in this section of this Act that remain unencumbered or
17 15 unobligated at the close of the fiscal year shall not revert
17 16 but shall remain available for expenditure for the purposes
17 17 designated until the close of the succeeding fiscal year.

CODE: Allows any unexpended funds appropriated from the SWJCF to the IEDA, the Board of Regents (BOR), and the IWD for FY 2019 to remain available for expenditure in FY 2020.

17 18 DIVISION II
17 19 UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION

17 20 Sec. 13. AUTHORIZATION OF USE OF FUNDS — UNEMPLOYMENT
17 21 INSURANCE SYSTEMS MODERNIZATION. Incentive payment funds made
17 22 to the state pursuant to the federal Assistance for Unemployed
17 23 Workers and Struggling Families Act, Pub.L. No.111-5, enacted
17 24 February 17, 2009, as a special transfer under section 903
17 25 of the Social Security Act, may be used up to \$39,200,000,
17 26 or so much thereof as may be necessary, by the department
17 27 of workforce development, for the purpose of unemployment
17 28 insurance systems modernization and for the acquisition of
17 29 programming, software, and equipment required to provide an
17 30 administrative system for the Iowa unemployment insurance
17 31 program.

Authorizes the use of up to \$39,200,000 by the IWD from the federal Struggling Families Act funds for one-time funding for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program.

DETAIL: This a one-time authorization that replaces a prior authorization for the use of up to \$9,600,000 from the same source for the same purpose.

17 32 Sec. 14. REPEAL. 2017 Iowa Acts, chapter 169, section 15,
17 33 is repealed.

Eliminates the FY 2018 authorization to use up to \$9,600,000 from federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program.

17 34 Sec. 15. EFFECTIVE DATE. This division of this Act, being
17 35 deemed of immediate importance, takes effect upon enactment.

Specifies that the provision in Division II, related to the use of federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program, is effective upon enactment.

18 1 Sec. 16. RETROACTIVE APPLICABILITY. The following applies
18 2 retroactively to July 1, 2017:
18 3 The section of this division of this Act relating to
18 4 unemployment insurance systems modernization.

Specifies that the provision in Division II, related to the use of federal Struggling Families Act funds for the modernization of unemployment insurance systems and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa Unemployment Insurance Program, is effective retroactive to July 1, 2017.

Summary Data

General Fund

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)
Economic Development	\$ 41,400,457	\$ 38,116,345	\$ 39,866,346	\$ 38,786,345	\$ 670,000
Grand Total	\$ 41,400,457	\$ 38,116,345	\$ 39,866,346	\$ 38,786,345	\$ 670,000

Economic Development

General Fund

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)	Page and Line # (6)
<u>Cultural Affairs, Department of</u>						
Cultural Affairs, Dept. of						
Administration Division	\$ 168,637	\$ 168,637	\$ 162,600	\$ 168,637	\$ 0	PG 1 LN 11
Community Cultural Grants	172,090	172,090	172,090	172,090	0	PG 1 LN 27
Historical Division	2,987,600	2,977,797	2,948,807	3,027,797	50,000	PG 1 LN 32
Historic Sites	426,398	426,398	426,398	426,398	0	PG 2 LN 1
Arts Division	1,192,188	1,192,188	1,181,500	1,217,188	25,000	PG 2 LN 5
Great Places	150,000	150,000	150,000	150,000	0	PG 2 LN 12
Records Center Rent	227,243	227,243	221,065	227,243	0	PG 2 LN 17
Cultural Trust Grants	0	25,000	25,000	75,000	50,000	PG 2 LN 21
County Endowment Funding - DCA Grants	416,702	416,702	416,702	448,403	31,701	PG 7 LN 3
Archiving Former Governors' Papers	65,933	0	0	0	0	
Total Cultural Affairs, Department of	\$ 5,806,791	\$ 5,756,055	\$ 5,704,162	\$ 5,912,756	\$ 156,701	
<u>Economic Development Authority</u>						
Economic Development Authority						
Economic Development Appropriation	\$ 14,485,192	\$ 13,242,040	\$ 13,280,419	\$ 13,438,379	\$ 196,339	PG 3 LN 1
World Food Prize	712,500	400,000	400,000	375,000	-25,000	PG 5 LN 13
Iowa Comm. Volunteer Ser. - Promise	175,513	168,201	166,519	168,201	0	PG 5 LN 21
Councils of Governments (COGs) Assistance	190,000	175,000	173,250	200,000	25,000	PG 6 LN 7
Tourism Marketing - Adjusted Gross Receipts	1,067,800	900,000	891,000	900,000	0	PG 7 LN 15
Registered Apprenticeship Program	0	0	1,000,000	0	0	
Total Economic Development Authority	\$ 16,631,005	\$ 14,885,241	\$ 15,911,188	\$ 15,081,580	\$ 196,339	
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
Rent Subsidy Program	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 0	PG 8 LN 7
Total Iowa Finance Authority	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 0	
<u>Public Employment Relations Board</u>						
Public Employment Relations						
General Office	\$ 1,328,129	\$ 1,342,452	\$ 1,342,452	\$ 1,492,452	\$ 150,000	PG 8 LN 26
Total Public Employment Relations Board	\$ 1,328,129	\$ 1,342,452	\$ 1,342,452	\$ 1,492,452	\$ 150,000	

Economic Development

General Fund

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)	Page and Line # (6)
<u>Workforce Development, Department of</u>						
Iowa Workforce Development						
Labor Services Division	\$ 3,762,097	\$ 3,471,252	\$ 3,471,252	\$ 3,491,252	\$ 20,000	PG 9 LN 16
Workers' Compensation Division	3,259,044	3,259,044	3,259,044	3,259,044	0	PG 9 LN 28
Operations - Field Offices	8,845,650	7,848,690	7,874,637	7,945,650	96,960	PG 10 LN 10
Offender Reentry Program	298,464	287,158	387,158	387,158	100,000	PG 10 LN 24
I/3 State Accounting System	274,819	228,822	228,822	228,822	0	PG 11 LN 2
Employee Misclassification Program	435,458	379,631	279,631	329,631	-50,000	PG 11 LN 16
Summer Youth Work Pilot	0	0	250,000	0	0	
Future Ready Iowa Coordinator	0	0	150,000	0	0	
Future Ready Iowa Marketing	0	0	350,000	0	0	
Total Workforce Development, Department of	\$ 16,875,532	\$ 15,474,597	\$ 16,250,544	\$ 15,641,557	\$ 166,960	
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Small Business Development Centers	\$ 101,000	\$ 0	\$ 0	\$ 0	\$ 0	
Total Regents, Board of	\$ 101,000	\$ 0	\$ 0	\$ 0	\$ 0	
Total Economic Development	\$ 41,400,457	\$ 38,116,345	\$ 39,866,346	\$ 38,786,345	\$ 670,000	

Summary Data

Other Funds

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)
Economic Development	\$ 28,023,084	\$ 18,526,084	\$ 28,526,084	\$ 26,026,084	\$ 7,500,000
Grand Total	\$ 28,023,084	\$ 18,526,084	\$ 28,526,084	\$ 26,026,084	\$ 7,500,000

Economic Development

Other Funds

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)	Page and Line # (6)
<u>Economic Development Authority</u>						
Economic Development Authority						
STEM Scholarships - SWJCF	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 0	PG 6 LN 15
High Quality Jobs Program - SWJCF	15,900,000	5,900,000	15,900,000	12,000,000	6,100,000	PG 12 LN 31
Registered Apprenticeship Program - SWJCF	0	0	0	1,000,000	1,000,000	PG 13 LN 9
Total Economic Development Authority	\$ 16,900,000	\$ 6,900,000	\$ 16,900,000	\$ 14,000,000	\$ 7,100,000	
<u>Workforce Development, Department of</u>						
Iowa Workforce Development						
Field Offices - Spec Cont Fund	\$ 1,766,084	\$ 1,766,084	\$ 1,766,084	\$ 1,766,084	\$ 0	PG 11 LN 31
Field Offices - UI Reserve Interest	557,000	1,060,000	1,060,000	1,060,000	0	PG 12 LN 11
AMOS Mid-Iowa Organizing Strategy - SWJCF	100,000	100,000	100,000	100,000	0	PG 16 LN 27
Summer Youth Work Pilot - SWJCF	0	0	0	250,000	250,000	PG 17 LN 4
Future Ready Iowa Coordinator - SWJCF	0	0	0	150,000	150,000	PG 17 LN 10
Total Workforce Development, Department of	\$ 2,423,084	\$ 2,926,084	\$ 2,926,084	\$ 3,326,084	\$ 400,000	
<u>Regents, Board of</u>						
Regents, Board of						
Regents Innovation Fund - SWJCF	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0	PG 13 LN 14
ISU - Economic Development - SWJCF	2,424,302	2,424,302	2,424,302	2,424,302	0	PG 14 LN 9
UI - Economic Development - SWJCF	209,279	209,279	209,279	209,279	0	PG 15 LN 17
UI - Entrepreneur and Econ Growth - SWJCF	2,000,000	2,000,000	2,000,000	2,000,000	0	PG 15 LN 31
UNI - Economic Development - SWJCF	1,066,419	1,066,419	1,066,419	1,066,419	0	PG 16 LN 3
Total Regents, Board of	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 0	
Total Economic Development	\$ 28,023,084	\$ 18,526,084	\$ 28,526,084	\$ 26,026,084	\$ 7,500,000	

Summary Data

FTE Positions

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)
Economic Development	468.34	551.78	548.66	553.38	1.60
Grand Total	<u>468.34</u>	<u>551.78</u>	<u>548.66</u>	<u>553.38</u>	<u>1.60</u>

Economic Development

FTE Positions

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)	Page and Line # (6)
<u>Cultural Affairs, Department of</u>						
Cultural Affairs, Dept. of						
Administration Division	1.02	1.05	1.05	52.30	51.25	PG 1 LN 11
Historical Division	41.84	38.10	38.10	0.00	-38.10	PG 1 LN 32
Historic Sites	4.95	3.75	3.75	0.00	-3.75	PG 2 LN 1
Arts Division	7.96	8.00	8.00	0.00	-8.00	PG 2 LN 5
Great Places	1.45	1.40	1.40	0.00	-1.40	PG 2 LN 12
Archiving Former Governors' Papers	0.65	0.00	0.00	0.00	0.00	
Battle Flag Stabilization	0.01	0.00	0.00	0.00	0.00	
Total Cultural Affairs, Department of	57.89	52.30	52.30	52.30	0.00	
<u>Economic Development Authority</u>						
Economic Development Authority						
Economic Development Appropriation	82.17	95.30	95.30	126.15	30.85	PG 3 LN 1
High Quality Jobs Creations Assistance	12.96	19.50	19.50	0.00	-19.50	
Economic Dev Energy Projects Fund	5.32	8.10	8.10	0.00	-8.10	
Iowa Ind. New Jobs Training (NJT) 260E Fund	2.16	2.50	2.50	0.00	-2.50	
Wine And Beer Promotion Board	0.00	0.50	0.50	0.00	-0.50	
Small Business Credit Initiative Fund	0.32	0.25	0.25	0.00	-0.25	
Iowa Commission on Volunteer Service	5.78	7.00	7.00	7.00	0.00	PG 5 LN 32
Total Economic Development Authority	108.70	133.15	133.15	133.15	0.00	
<u>Workforce Development, Department of</u>						
Iowa Workforce Development						
Labor Services Division	51.85	57.90	57.90	57.90	0.00	PG 9 LN 16
Workers' Compensation Division	26.24	27.00	27.00	27.00	0.00	PG 9 LN 28
Field Office Operating Fund	166.40	184.18	183.78	183.78	-0.40	PG 10 LN 16
Offender Reentry Program	3.10	4.00	4.00	5.00	1.00	PG 10 LN 24
Employee Misclassification Program	4.10	4.50	4.50	4.50	0.00	PG 11 LN 16
Total Workforce Development, Department of	251.68	277.58	277.18	278.18	0.60	
<u>Public Employment Relations Board</u>						
Public Employment Relations						
General Office	10.04	10.00	10.00	11.00	1.00	PG 8 LN 26
Total Public Employment Relations Board	10.04	10.00	10.00	11.00	1.00	

Economic Development

FTE Positions

	Actual FY 2017 (1)	Estimated Net FY 2018 (2)	Gov Rec FY 2019 (3)	House Subcom FY 2019 (4)	House Sub vs. Est Net 2018 (5)	Page and Line # (6)
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development - SWJCF	20.93	56.63	56.63	56.63	0.00	PG 14 LN 9
UI - Economic Development - SWJCF	1.85	6.00	6.00	6.00	0.00	PG 15 LN 17
UI - Entrepreneur and Econ Growth - SWJCF	8.00	8.00	5.28	8.00	0.00	PG 15 LN 31
UNI - Economic Development - SWJCF	8.25	8.12	8.12	8.12	0.00	PG 16 LN 3
ISU - Small Business Development Centers	1.00	0.00	0.00	0.00	0.00	
Total Regents, Board of	40.03	78.75	76.03	78.75	0.00	
Total Economic Development	468.34	551.78	548.66	553.38	1.60	